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LEASE OF RAILROAD EQUIPMENT  
ALUMINUM COVERED HOPPER CARS  
A.A.R. MECHANICAL CLASSIFICATION LO

THIS AGREEMENT, entered into as of February 1, 1972, by and between THE TEXAS AND PACIFIC RAILWAY COMPANY, a corporation organized and existing by virtue of Acts of Congress of the United States of America, hereinafter called "Lessor", to be addressed at 210 North Thirteenth Street, St. Louis, Missouri 63103, and ALUMINUM COMPANY OF AMERICA, a Pennsylvania corporation, hereinafter called "Lessee", to be addressed at Alcoa Building, Pittsburgh, Pennsylvania 15219, WITNESSETH:

R E C I T A L S:

The parties hereto have reached an understanding with respect to the leasing of certain 100-ton, aluminum, covered hopper cars, A.A.R. Mechanical Classification LO, hereinafter called, severally, "Car" and, collectively, "Cars", by Lessor to Lessee, for Lessee's use in transporting commodities between Mobile, Alabama and Massena, New York, and desire to set forth in writing their agreement with respect thereto.

NOW, THEREFORE, in consideration of the premises, the parties hereto agree as follows:

1. (a) Lessor hereby leases to Lessee and Lessee hereby rents from Lessor the Cars set forth on Schedule "A" attached hereto and made a part hereof. By mutual agreement, other Cars may be substituted or additional Cars may be placed under lease hereunder, in which event Schedule "A" shall be revised or supplemented accordingly and authenticated by the parties, and such substituted or additional Cars shall be subject to this agreement.

(b) The Cars at the time of delivery thereof to Lessee will conform to all Interstate Commerce Commission requirements and specifications and to all standards recommended by the Association of American Railroads interpreted as being applicable to railroad equipment of the character of the Cars as of the date of this agreement.

2. The term of this agreement with respect to each Car shall commence upon date of delivery of each of the Cars to Lessee at a mutually agreeable location, and shall continue until said car is redelivered to Lessor on or about March 1, 1974, subject to any extension thereof as may be agreed upon in writing by Lessor and Lessee.

3. (a) Lessor's reporting marks shall be eliminated and Lessee's reporting marks shall be substituted therefor as shown on Schedule "A" hereto. Cars shall ~~bear a plate or stencil~~ showing such Cars to be under lease to Lessee. Anything herein to the contrary notwithstanding, Car markings and lettering shall at all times conform to rules and practices of the Association of American Railroads and to all applicable laws, rules, regulations, orders, or decisions of any governmental authority having jurisdiction. Lessee shall not allow the name of any person,



association or corporation to be placed on any of the Cars as a designation which might be interpreted as indicating a claim of ownership thereof by any person, association, or corporation other than Lessor. There shall continue to be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of such Cars a metal plate bearing the following words, or such words may be otherwise plainly, distinctly, permanently and conspicuously marked on each side of such Car, in either case in letters not less than one-half inch in height:

THE TEXAS AND PACIFIC RAILWAY EQUIPMENT TRUST, SERIES X;

REPUBLIC NATIONAL BANK OF DALLAS, TRUSTEE, OWNER, LESSOR.

Such plates or marks shall be such as to be readily visible and as to indicate plainly the said Trustee's ownership of each Car of the Trust Equipment. In case, prior to the termination of this lease, any of such plates or marks shall at any time be removed, defaced or destroyed, the Lessee shall immediately cause the same to be restored or replaced.

(b) Lessee agrees at its own expense to re-mark the Cars and to notify Lessor when such re-marking has been accomplished, and, at the termination of this agreement, to restore Lessor's reporting marks. Lessee shall list the new reporting marks and the numbers in the Official Railway Equipment Register and publish notice therein calling for the submission to Lessee of owner responsibility repair bills and notification of the destruction of a Car or damage to a Car rendering it inoperable without substantial repairs.

4. (a) Lessor agrees to deliver the Cars on or about February 1, 1972, or such later date as may be mutually agreed upon by Lessor and Lessee. Lessor shall not, however, be liable to Lessee for any failure or delay in making delivery thereof due to any cause or causes.

(b) A joint inspection shall be made of each Car by representatives of the parties hereto prior to delivery of such Car by the Lessor and any repair determined to be necessary, to place such Car in good working order and condition, shall be made by Lessor at its expense prior to delivery of such Car to the Lessee.

5. Lessee agrees to pay to Lessor in advance as fixed rent for each Car, the sum of Two Hundred and Twenty-Five Dollars (\$225.00) per month. The first of such rental obligations shall accrue from the date of delivery and acceptance of the Car at the pro rata rate per day covering the number of days to the end of the month. All subsequent rental payments shall be made on the first day of each succeeding month. The last payment of rent with respect to each Car shall cover the number of days from the first day of the final month to the expiration date of this agreement or other date of termination at the pro rata rate per day.

6. (a) Any mileage allowances, rentals and/or other compensation payable by railroads by reason of use of said Cars shall be collected by Lessee.

(b) Any demurrage, storage, detention, mileage, switching or freight charges incurred by any of such Cars while covered by this agreement, by virtue of tariffs on file with the Interstate Commerce Commission, or as may be prescribed by the Association of American Railroads, or otherwise shall be assumed and paid by Lessee.



7. Lessee acknowledges and agrees that by execution hereof it does not obtain, and by payments and performance hereunder it does not and will not have or obtain, any title to the Cars or any of them at any time subject to this agreement, nor any property right or interest, legal or equitable therein, except solely as Lessee hereunder and subject to all of the terms and conditions hereof. Lessee shall not create, nor cause the creation of any encumbrance or lien which may be a cloud upon or otherwise affect Lessor's title.

8. Responsibility for loss or destruction of, or damage to, Cars or parts thereof or appurtenances thereto furnished under this agreement shall be as fixed by the then prevailing Code of Rules Governing the Condition of, and Repairs to, Freight and Passenger Cars in the Interchange of Traffic, promulgated by the Association of American Railroads, and said Code of Rules shall establish the rights, obligations, and liabilities of Lessor, Lessee and any railroad subscribing to such Code of Rules and moving the Cars over its lines in respect of all matters to which said Code of Rules relates. In the event that any Car is lost, damaged or destroyed while on any private track or on the track of a railroad that does not subscribe to such Code of Rules or in the event that any Car is damaged or destroyed by any commodity which may be transported or stored in or on such Car, such repairs, renewals or replacements as may be necessary to replace the Car or to place it in good order and repair shall be at the sole cost and expense of Lessee. Lessor and Lessee agree to cooperate with and assist each other in any reasonable manner requested, but without affecting their respective obligations under this paragraph, to establish proper claims against parties responsible for loss or destruction of or damage to the Cars.

9. (a) Except where responsibility is placed upon others as provided in Section 8 above, Lessee shall, at its expense, have the Cars maintained in good repair and condition, according to the Code of Rules heretofore mentioned.

(b) Lessor shall have the right, but shall not be obligated, to substitute, for any Car which shall be damaged or destroyed, another similar Car.

10. In addition to the rentals herein provided, Lessee shall, during the continuance of this agreement, promptly pay all taxes levied upon the use or operation of the Cars or the earnings arising therefrom and shall promptly reimburse Lessor for any additional taxes which Lessor may be required to pay solely by reason of this agreement or Lessee's use of the Cars hereunder; provided, however, that nothing herein shall require Lessee to reimburse Lessor for net income, excess profits and similar taxes. Lessor shall pay ad valorem property taxes levied on the Cars and shall file all returns and reports in connection with such property taxes.

11. Lessee agrees to defend, indemnify and save harmless Lessor from and against any and all losses, damages, injuries, liabilities, claims and demands whatsoever, regardless of the cause thereof, and any expense in connection therewith, including attorneys' fees, arising out of or as a result of the use and/or operation of the Cars during the term of this agreement, or by reason of any default by Lessee under this agreement.

12. Lessee shall not assign, transfer, encumber or otherwise dispose of its leasehold interest under this agreement, in the Cars or any of them or loan, let, sublet, hypothecate or otherwise transfer or dispose of any of the Cars.



13. If Lessee shall default in the performance or observance of covenants contained herein and to be performed or observed by Lessee, and such default shall continue for 20 days after notice by Lessor to Lessee, or there shall be filed by or against Lessee a petition in bankruptcy or for reorganization under any bankruptcy law, or there shall be a receiver appointed of any part of Lessee's property or Lessee shall make a general assignment for the benefit of creditors, then and in any such events Lessor, at its election, may terminate this Lease and repossess the Cars, and this Lease shall thereupon become and be terminated. Lessee shall, however, remain liable to Lessor for any and all sums then remaining due and payable under this Lease.

14. In the event the performance, in whole or in part, of the obligations (other than for payment of money) of either party under this Lease is hindered, interrupted, or prevented by war, strikes, lockouts, fire, acts of God, or by other similar or different acts of civil or military authorities, or by any cause beyond the reasonable control of the defaulting party, whether similar to the causes herein specified or not, the obligations of such party shall be suspended to the extent of and for the time that performance thereof is prevented or affected by such hindrance, interruption, or prevention, but due diligence shall be observed by such party in resuming performance of its obligations, after removal of the interrupting cause.

If any Car is withdrawn or diverted from the use of Lessee pursuant to regulation, order or direction of any Governmental agency having authority, such action shall not terminate this Lease, or affect the rights and obligations of the parties hereto, except that in every such case all rights and liabilities of the parties hereto as to any Car so withdrawn shall be suspended until such Car or replacement thereof shall have been made available to Lessee, and any such withdrawal, diversion or nonfurnishing shall not be deemed a breach of this Lease by either party.

15. Upon the expiration or any termination of this agreement, or any written extension thereof, Lessee will, at its own cost and expense, redeliver the Cars to Lessor at a mutually agreeable location in the same working order and condition as when said Cars were originally delivered to Lessee, normal wear and tear excepted. However, Lessee shall, prior to redelivery of the Cars to Lessor, arrange for repair of any damage to the Cars occurring during the term of this agreement for which Lessee may be responsible. A joint inspection shall be made of each Car by representatives of the parties hereto at the time of redelivery by the Lessee to the Lessor and, in the event any damage to any Car for which Lessee may be responsible is noted, written advice to Lessee and Lessor of the nature of such damage shall be made by the representatives making such inspection, and Lessor shall arrange to have such damage repaired. Lessee shall promptly, upon receipt of bill, reimburse Lessor the actual cost of all labor and materials, plus Lessor's then current surcharges to cover supervision, handling, accounting, shop expense and use of machinery, plus freight at tariff over Lessor's rails of all materials and supplies used, plus vacation allowances, holiday pay, health and welfare benefit payments, and excise taxes applicable to said labor, material and supplies. If any Car is not redelivered by Lessee to Lessor at the time provided in this agreement, or any written extension thereof, all of the obligations of Lessee hereunder as to such Car (including the payment of rental therefor) shall continue until such Car is surrendered as herein provided, with Lessor reserving any and all rights and remedies granted to it hereunder or by operation of law including, but not limited to, its right to repossess such Car and to claim damages against Lessee for any unreasonable failure of Lessee



to timely redeliver such Car, except as to any Car undergoing repairs or necessary to undergo repairs, in which event, as to such Car, Lessee's liability for failure to redeliver in a timely manner shall be limited to payment of rental pending redelivery delayed by those repairs or needed repairs which are the obligation of Lessee hereunder. All obligations of Lessee to Lessor under the terms of this agreement shall survive the expiration or other termination hereof and remain binding upon Lessee until fully performed.

16. This Lease is subject to all Federal, State and other laws, rules, regulations and ordinances which may now or hereafter affect, change or modify the terms or conditions hereof or render unlawful the performance of any of its provisions. Lessee shall comply with all governmental laws, regulations and requirements and with the Code of Rules Governing the Condition of, and Repairs to, Freight and Passenger Cars in the Interchange of Traffic, promulgated by the Association of American Railroads with respect to the use, maintenance, and operation of each Car subject to this Lease.

17. Except as otherwise specifically provided, all notices required under this agreement shall be deemed to have been sufficiently given if enclosed in a sealed envelope, postage prepaid, and mailed in any United States post office to the addresses first written above.

18. Covenants herein shall inure to or bind each party's successors and assigns.

IN WITNESS WHEREOF, the parties have duly executed this agreement as of the day and year first above written.

ATTEST:

*[Signature]*  
Secretary

ALUMINUM COMPANY OF AMERICA

By *William A. Weber* RLB  
Title: *Vice President*

ATTEST:

*St. J. Ferrell*  
ASSISTANT Secretary

THE TEXAS AND PACIFIC RAILWAY COMPANY

By *D. L. Manion*  
Vice President



THE TEXAS AND PACIFIC RAILWAY COMPANY, LESSOR

ALUMINUM COMPANY OF AMERICA, LESSEE

SCHEDULE "A"

TO LEASE OF RAILROAD EQUIPMENT  
100-TON, ALUMINUM, COVERED HOPPER CARS  
A.A.R. MECHANICAL CLASSIFICATION LO

Lessor's  
Car Initial  
and Number

Lessee's  
Car Initial  
and Number

TP-719002  
TP-719010  
TP-719012  
TP-719019  
TP-719024  
TP-719057  
TP-719074  
TP-719076  
TP-719087  
TP-719099  
TP-719120  
TP-719121  
TP-719123  
TP-719145  
TP-719148  
TP-719159  
TP-719169  
TP-719188

AOCX-719002  
AOCX-719010  
AOCX-719012  
AOCX-719019  
AOCX-719024  
AOCX-719057  
AOCX-719074  
AOCX-719076  
AOCX-719087  
AOCX-719099  
AOCX-719120  
AOCX-719121  
AOCX-719123  
AOCX-719145  
AOCX-719148  
AOCX-719159  
AOCX-719169  
AOCX-719188



STATE OF PENNSYLVANIA )  
 ) SS  
COUNTY OF ALLEGHENY )

On this 1st day of August, 1972, before me personally appeared William A. McLean, to me personally known, who, being by me duly sworn, says that he is the Vice President of Aluminum Company of America, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Bertha G. Suter  
Notary Public

My Commission Expires: BERTHA G. SUTER, Notary Public  
Pittsburgh, Allegheny County, Penna.  
My Commission Expires  
December 16, 1972

STATE OF MISSOURI )  
 ) SS  
CITY OF ST. LOUIS )

On this 18th day of September, 1972, before me personally appeared D. L. MANION, to me personally known, who, being by me duly sworn, says that he is the VICE PRESIDENT of The Texas and Pacific Railway Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

W. B. Burke  
Notary Public

My Commission Expires: May 30, 1976